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 California Corporations Commissioner
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8
 9 BEFORE THE DEPARTMENT OF CORPORATIONS
 10 OF THE STATE OF CALIFORNIA

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 12 In the Matter of the Accusation of THE) Case No.: 413-0011
 CALIFORNIA CORPORATIONS)
 13 COMMISSIONER,) FIRST AMENDED ACCUSATION
 14)
 Complainant,)
 15)
 vs.)
 16)
 17 MONUMENT MORTGAGE, INC., doing)
 business as FINET.COM and HOMEWARD)
 18 SOLUTIONS,)
 19)
 Respondent.)

20
 21 The Complainant is informed and believes, and based upon such information and belief,
 22 alleges and charges Respondent as follows:

23 I

24 Respondent Monument Mortgage, Inc. ("Monument") is a residential mortgage lender and
 25 loan servicer licensed by the California Corporations Commissioner ("Commissioner") pursuant to
 26 the California Residential Mortgage Lending Act (California Financial Code § 50000 et seq.)
 27 ("CRMLA"). Monument has its principal place of business located at 921 Front Street, San
 28 Francisco, California 94111.

II

Pursuant to California Financial Code § 50200, Monument was required to submit its audited financial statement for its fiscal year ended December 31, 2002 (“2002 audit report”) to the Commissioner by April 15, 2003. Monument has yet to file its 2002 audit report with the Commissioner despite numerous reminders.

On or about December 12, 2002, Monument was notified in writing by the Complainant that its 2002 audit report was due April 15, 2003. Monument failed to submit the 2002 audit report by April 15, 2003.

On or about June 6, 2003, a further letter was sent to Monument demanding the 2002 audit report be filed no later than June 16, 2003, and assessing Monument a penalty of \$1,000.00 pursuant to California Financial Code § 50326. Monument was notified in the letter that failure to file to the 2002 audit report and/or pay the penalty by June 16, 2003 would result in an action to either suspend or revoke its license.

On or about June 18, 2003, Monument notified the Commissioner that it had filed for Chapter 11 bankruptcy, and requested information about the due date of the 2002 audit report.

On or about July 16, 2003, a letter was sent to Monument informing Monument that its 2002 audit report was due on April 15, 2003, and must be submitted within 30 days. The July 16, 2003 letter further informed Monument that due to the bankruptcy filing, the \$1,000 penalty had been waived. Monument has yet to file the 2002 audit report as required by California Financial Code § 50200.

III

On or about February 18, 2003, the Commissioner commenced a regulatory examination of Monument. On or about July 3, 2003, a report of the regulatory examination was sent to Monument requiring Monument to respond to the regulatory examination report in writing within 30 days. Monument has yet to respond to the regulatory examination report as required by California Financial Code § 50307 (b).

IV

Pursuant to California Financial Code § 50205, all CRMLA licensees are required to maintain a surety bond in the minimum amount of \$50,000.00. The surety bond of Monument expired on December 6, 2003, and no replacement was obtained by Monument.

On or about December 8, 2003, the Commissioner issued an Order to Discontinue Residential Mortgage Lending and/or Servicing Activities to Monument pursuant to California Financial Code § 50319 for failure to maintain the required surety bond. This Order was served on Monument on or about December 8, 2003.

Monument has yet to obtain a replacement surety bond in violation of California Financial Code § 50205.

V

California Financial Code § 50327 provides in pertinent part:

- (a) The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if the commissioner finds that:
 - (1) the licensee has violated any provision of this division or rule or order of the commissioner thereunder; or (2) any fact or condition exists that, if it had existed at the time of the original application for license, reasonably would have warranted the commissioner in refusing to issue the license originally.

VI

The Commissioner finds that, by reason of the foregoing, Monument has violated California Financial Code §§ 50200, 50205 and 50307(b) and based thereon, grounds exist to revoke the residential mortgage lender and loan servicer license of Monument.

WHEREFORE, IT IS PRAYED that the residential mortgage lender and loan servicer license of Monument be revoked and that pursuant to California Financial Code §§ 50310 and 50311, Monument be given a transition period of sixty (60) days within which to transfer its existing service accounts and to complete any loans for which it had commitments.

Dated: December 15, 2003
Los Angeles, California

DEMETRIOS A. BOUTRIS
California Corporations Commissioner

By _____
Judy L. Hartley
Senior Corporations Counsel